



August 24, 2007

James Matteau, Executive Director
Windham Regional Commission
139 Main Street
Brattleboro, VT 05301

Re: Southern Loop Transmission Upgrade Project

Dear Mr. Matteau:

We want to share additional information with you regarding our proposed project. In an August 9, 2007 letter, Central Vermont Public Service ("CVPS") and Vermont Electric Power Company, Inc. ("VELCO") notified you that we had extended the filing date of our petition to construct a set of electric transmission line and substation upgrades in southern and central Vermont in order to reinforce transmission network reliability, (the "Southern Loop Project") to what we continue to believe will be September 26, 2007. On this date, we intend to file a Petition for a Certificate of Public Good with the Vermont Public Service Board.

Part of our reasoning for this extension was to continue our local outreach work to hear and understand the priorities and concerns of local communities. We strongly believe taking this time to receive additional comments and recommendations will improve our proposal. Our goal is to have considered as many community issues as possible in advance of the September filing that initiates a thorough public, but more formal, review process. (As stated previously, this is just the start of the official state process and we will be glad to continue our dialogue, consider your feedback and provide project updates as we move forward.)

During this extended comment period, we were requested to evaluate alternative locations for the planned substation site and transmission line "loop" in West Dummerston. As a result of our investigation and a number of meetings with local officials, we will propose to locate the substation at a former gravel pit now owned by NJM Realty, located off of Route 30 in the Town of Newfane. In order to tie into the substation, we would need to extend two new 345 kV lines (to form the "loop") for approximately one mile from Dummerston into the Newfane substation site, utilizing the existing CVPS 46 kV transmission line corridor. The existing CVPS corridor will have to be cleared to its full extent of 150-feet to accommodate the new 345kV lines. Today, the corridor is generally cleared to 100-feet to accommodate the existing CVPS 46kV line. Contingent upon the final design of the new lines, an additional 150-foot Right-of-Way (ROW) may be required to create a 300-foot cleared corridor.

As we discussed with Newfane officials at our recent meeting on August 16, 2007, VELCO is in the process of reviewing design alternatives for the new 345kV lines that connect our proposed

Newfane substation to a 345kV line in Dummerston. The focus of our work is to identify a reliable, cost effective design with the least overall impact to the public. The outcome of these efforts will provide alternatives requiring varying degrees of additional ROW acquisition and tree clearing. VELCO will share these options for discussion in upcoming meetings. Copies of the substation site plan, as well as drawings locating the line corridor for the new lines in and out of the substation, are attached.

We look forward to continuing our dialogue with you and hearing your ideas. For more information or to schedule a discussion please call me at (802) 770-6166 or email kjohnson@velco.com.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Kerrick L. Johnson". The signature is fluid and cursive, with the first name "Kerrick" being more prominent than the last name "Johnson".

Kerrick L. Johnson
Vice President – External Affairs
Vermont Electric Power Company

Enclosure

cc: Town Clerks (w/ enc.)